

159234

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD**

JOSEPH ENTERPRISES, INC.,

Opposer,

vs.

NEOPETS, INC.,

Applicant.

Opposition No. 76389091

**NEOPETS, INC.'S ANSWER TO
NOTICE OF OPPOSITION AND
COUNTERCLAIM**

BOX TTAB — FEE
Commissioner for Trademarks
2900 Crystal Drive
Arlington, VA 22201-3513

03-12-2004

U.S. Patent & TMO/TM Mail Rpt Dt. #21

ANSWER TO NOTICE OF OPPOSITION

NeoPets, Inc. hereby Answers the Notice of Opposition of Joseph Enterprises, Inc. and admits, denies and alleges as follows:

1. Applicant admits the allegations contained in Paragraph 1 of the Notice of Opposition.
2. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 2 of the Notice of Opposition and, on that basis, denies the allegations thereof.

3. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 3 of the Notice of Opposition and, on that basis, denies the allegations thereof.
4. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 4 of the Notice of Opposition and, on that basis, denies the allegations thereof.
5. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 5 of the Notice of Opposition and, on that basis, denies the allegations thereof.
6. Applicant denies the allegations contained in Paragraph 6 of the Notice of Opposition.
7. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 7 of the Notice of Opposition and, on that basis, denies the allegations thereof.
8. Applicant denies that Application Serial No. 76/389,091 was filed as an Intent-to-Use Application but admits that the Application was filed on March 28, 2002. Applicant lacks information and belief sufficient to enable it to answer the remaining allegations contained in Paragraph 8 of the Notice of Opposition and, on that basis, denies the allegations thereof.
9. Applicant admits that both its proposed mark and the mark registered by Opposer in Registration Nos. 1,859,361 and 2,090,156 are identical. But denies the remaining allegations contained in Paragraph 9 of the Notice of Opposition.
10. Applicant lacks information and belief sufficient to enable it to answer the allegations contained in Paragraph 10 of the Notice of Opposition regarding “the goods offered under Opposer’s Marks” and, on that basis, denies the allegations thereof. Applicant denies the remaining allegations contained in Paragraph 10 of the Notice of Opposition.

11. Applicant denies the allegations contained in Paragraph 11 of the Notice of Opposition.

12. Applicant denies the allegations contained in Paragraph 12 of the Notice of Opposition.

13. Applicant admits the allegations contained in Paragraph 13 of the Notice of Opposition.

14. Applicant denies the allegations contained in Paragraph 14 of the Notice of Opposition.

FIRST AFFIRMATIVE DEFENSE

(Generic Term)

15. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because the word “chia” as applied to Opposer’s products is generic and unprotectible.

SECOND AFFIRMATIVE DEFENSE

(Absence of Secondary Meaning)

16. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because its use of the word “chia” in its alleged marks is at most descriptive and has not acquired or developed any secondary meaning.

THIRD AFFIRMATIVE DEFENSE

(No Likelihood of Confusion)

17. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because it cannot demonstrate any likelihood that the public will be confused or misled as to the source, origin or sponsorship of Applicant’s fictional, virtual “chia” species, or otherwise.

FOURTH AFFIRMATIVE DEFENSE

(Effect of Disclaimer)

18. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because in its filings with the United States Patent and Trademark Office, Opposer expressly disclaimed any exclusive rights to the word “chia” independent of the phrase “chia pet.”

FIFTH AFFIRMATIVE DEFENSE

(Estoppel)

19. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because it is estopped from seeking such relief by its own acts and omissions.

SIXTH AFFIRMATIVE DEFENSE

(Waiver)

20. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because it has waived any entitlement to such relief by its own acts and omissions.

SEVENTH AFFIRMATIVE DEFENSE

(Laches)

21. Applicant affirmatively alleges that by virtue of its own acts and omissions, Opposer is barred by the doctrine of laches from obtaining the relief sought in the Notice of Opposition.

EIGHTH AFFIRMATIVE DEFENSE

(Acquiescence)

22. Applicant affirmatively alleges that Opposer is not entitled to any of the relief sought in the Notice of Opposition because it has, by its own acts and omissions, acquiesced in the alleged conduct of Applicant that underlies Opposer's claims for relief.

FIRST COUNTERCLAIM FOR RELIEF

(Cancellation of Registered Marks CHIA (Serial Number 75123119),
CHIA PET (Serial Number 75584901) and CHIA HERB GARDEN
(Serial Number 76459538))

23. Applicant believes that it will be damaged by the following Registered Marks, and hereby petitions to cancel same:

- a. CHIA PET (Serial Number 75584901, registered on January 4, 2000);
- b. CHIA (Serial Number 75123119, registered on August 19, 1997); and
- c. CHIA HERB GARDEN (Serial Number 76459538, registered on October 14, 2003);

24. The grounds for cancellation are as follows.

- a. Despite the fact that, in a U.S. trademark registrations for the mark "Chia Pet," Opposer expressly disclaimed the right to the exclusive use of the word "chia" apart from the marks, Opposer now claims that it is entitled to the exclusive use of that word not only in conjunction with the gardening kits and terra cotta planters which have been the only products distributed by Opposer using the word "chia," but also in connection with plush toys, toys, games, board games, holiday decorations, toy building blocks and sports equipment that have nothing to do with gardening or planters.

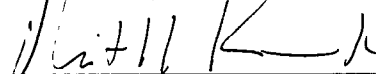
- b. Opposer's "Chia" marks are generic for, or at most descriptive of, Opposer's products when used as part of the phrases "chia pet" and "chia herb garden" and that the word "chia" independent of the phrase "chia pet" and "chia herb garden" have not acquired any secondary meaning that associates it uniquely with OPPOSER's gardening and planter products.
- c. Opposer's "Chia" mark, serial number 75123119, has been abandoned by Opposer and was not used for the statutory period to obtain the status of incontestability.

25. Applicant has challenged Opposer's use of the described marks in a counterclaim asserted in a lawsuit which was filed on June 3, 2002 in the United States District Court, Northern District of California.

WHEREFORE, Applicant requests Opposer's Notice of Opposition be denied and that the following registrations be cancelled for reasons stated herein: CHIA (Serial Number 75123119), CHIA PET (Serial Number 75584901) and CHIA HERB GARDEN (Serial Number 76459538).

Respectfully Submitted,

NEOPETS, INC.



Stephanie Yost Cameron, Esq.

Mitchell D. Kamarck, Esq.

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818-551-4338 (phone)

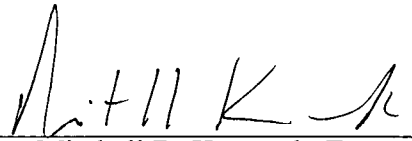
818-956-3855

CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service with sufficient postage as first class mail in an envelope addressed to Assistant Commissioner for Trademarks, 2900 Crystal Drive, Arlington, Virginia 22202-3513 and Mary Shapiro, Two Embarcadero Center, 8th Floor, San Francisco, California 94111-3834 on March 9, 2004.

Date: March 9, 2004

By: _____

A handwritten signature in black ink, appearing to read "Mitchell D. Kamarck", written over a horizontal line.

Mitchell D. Kamarck, Esq.
NeoPets, Inc.

TTAB

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